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We're the newcomers to Washington who were brought to the verge of financial ruin by Windermere, the Northwest's largest real estate firm. We're attempting to turn our negative experiences into something positive for our community and the American Homestead. Our website is dedicated to a study of *Public Interest * Public Conscience * Public Duty

"You cannot submit to evil without allowing evil to grow. Each time the good are defeated, or each time they yield, they only cause the forces of evil to grow stronger. Greed feeds on greed, and crime grows with success. Our giving up what is ours merely to escape trouble would only create greater trouble for someone else." -- Louis L'Amour, *A Man Called Noon*, Bantam, page 173.

May 28, 2009

Governor Christine Gregoire PO Box 40002 Olympia, WA 98504-0002

Dear Gov. Gregoire:

Given your appointment of Liz Luce as Director of the Department of Licensing in March 2005, DOL's malfeasance should be a direct concern to you.

On April 22, we sent you a letter stating that the Department of Licensing refuses to enforce Washington law and is knowingly allowing state-licensed fiduciaries -- brokers and agents of the Windermere real estate empire -- to deceive unsuspecting members of the public. We stated that the DOL-Windermere partnership was tantamount to organized crime. We furnished you with **many** documented examples of how this DOL-Windermere partnership worked. That is, we showed a <u>pattern of behavior</u>. Please review the Endicott, Pace-Knapp, Kruger, Ruebel, Parry, Kimiai and DeCoursey cases at: http://RenovationTrap.com/gallery

Believing you to be an honest public official, we expected you to check the facts and respond. Instead, you simply turned the letter over to the Department of Licensing, the very agency on whom we were blowing the whistle. And you authorized DOL to respond *on your behalf* -- to act as your agent.

In order to appreciate what you did, let us put your action into another historical context. When Elliot Ness received documented reports that Al Capone wasn't paying his income taxes, did Ness turn the reports over to Capone so Capone could answer the charges?

To say you trivialized our report would be an understatement. You were so disinterested you did not even extend to us the courtesy of sending a letter saying you had received ours.

On May 21, 2009, Ralph C. Osgood, DOL's Assistant Director of the Business and Professions Division, wrote:

Thank you for your letter to Governor Christine Gregoire. I am responding on her behalf.

But Mr. Osgood did not respond to our April 22 letter. Our April 22 letter contained these statements:

A Washington law enforcement agency refuses to enforce Washington law and is knowingly and repeatedly allowing state-licensed fiduciaries to deceive and swindle unsuspecting members of the public. The behavior is repeated and systematic.

Many thinking people would consider the cooperative efforts between the agency and the licensees is evidence of organized crime.

The law enforcement agency is the Department of Licensing.

The licensees are employed by Windermere Real Estate.

Mr. Osgood totally ignored those statements. And he ignored the cases we cited to support those statements. (See http://RenovationTrap.com/gallery).

Instead, Mr. Osgood pretended our letter was "about" the lawsuit involving ourselves, Windermere, and Windermere agent Paul H. Stickney. And in this misrepresentation, Mr. Osgood contradicted a previous stance taken by an earlier DOL spokesperson.

On December 8, 2008, Karen Jarvis, a Program Manager who works for Mr. Osgood's Business and Professions Division, wrote that DOL <u>would take no action against Stickney because he had done no wrong:</u>

"It is not a requirement of the Real Estate Licensing laws, RCW 18.85 & 18.235, for Stickney to advise you that he and [contractor] were business partners in a land venture that is unrelated to your home purchase. Furthermore, a violation of the Consumer Protection Act is not a violation of the Real Estate Licensing Laws."

http://RenovationTrap.com/dol/081208-dol.pdf

But now, on May 21, 2009, Mr. Osgood changed DOL's story. In Osgood's version, <u>DOL is simply waiting</u> for the outcome of the Windermere/Stickney appeal before acting.

"The judgment in the King County Superior Court against Mr. Stickney is stayed by the court. His legal counsel filed an appeal of the findings and judgment in Division 1 of the Court of Appeals.

"We will continue to monitor this issue through the appeal process and upon resolution of that process, we will determined our next steps." http://RenovationTrap.com/dol/090521-dol.pdg

It's pretty bad, isn't it, when even one division within DOL -- the Business and Professions Division in which both Karen Jarvis and Ralph Osgood work -- can't keep a straight story?

And even within this latest invention, Mr. Osgood told two lies:

- 1. As everyone knows -- and you especially, Governor, being a lawyer -- the appeals court will not be reconsidering the facts of the case. The DOL awaits something that will never occur.
- 2. DOL is a regulatory agency independent of the court system. It has its own enforcement powers and can act independent of the courts. Indeed, DOL is so independent of the courts that when the courts make decisions DOL does not like (see Endicott, Pace-Knapp, and Ruebel cases), DOL ignores those court decisions. Without the blessings of the courts, DOL can sanction licensees and withdraw licenses. It can also prefer charges against licensees through the courts under laws not available for private action, if it chooses to do so (RCW 18.85.350).

Think of the harm DOL's protection of Windermere has done to taxpayers and homeowners. The pattern of behavior is documented and available for the world to see at http://RenovationTrap.com/gallery. Why are you so disinterested?

Windermere boasts of its political power. A Windermere press release dated 04/19/2002 says of John Jacobi, the banker who founded Windermere:

Washington CEO magazine, one of the state's leading business publications, has named John Jacobi, founder of Windermere Real Estate, to it's Power 100 – a list of men and women who wield the influence and are <u>shaping the state's future</u>. The annual list was published in the March 2002 issue. [Emphasis added.]

The poll, compiled from responses of 2,300 readers of the magazine and Web site, includes a broad mix of business moguls, local sports heroes, artists, philanthropists and politicians . . .

We now wonder if your office is one of the tools Jacobi is using to "reshape" Washington's future.

During your tenure as governor, Windermere franchise owner and lawyer John Demco was appointed to the DOL Task Force to re-write Washington real estate laws. Mr. Demco' points out that you signed the re-write into law.

Recently, Mr. Demco participated on another task force appointed by the Department of Licensing for a review of the Washington law of real estate licensing. After more than two years of regular meetings, the task force proposed a complete re-write of the licensing laws (18.85 RCW). That proposal was adopted by the state legislature with minor changes and was signed by Governor Gregoire in 2008. The new licensing laws will take effect in 2010. http://www.demcolaw.com/profile-jdemco.html

Were the franchise holders and lawyers of Washington's other real estate brokerage firms also appointed to the DOL Task Force? Given that the Demco Law Firm defends brokers and agents from Washington largest real estate company both before the courts and during DOL investigations, and given that Demco himself is a Windermere broker and franchise owner, could you not see that inviting Demco to re-write Washington real estate laws might be a conflict of interest?

We also note that you have appointed three Windermere agents to the Real Estate Commission: Dan Murphy, Catherine Moye, and Jeff Thompson.

Please feel free to address these issues publicly. We are posting this letter to our website. And we will post your answer.

Sincerely,

Mark & Carol DeCoursey 8209 172nd Ave., NE Redmond, WA 98052

cc: Victims of Windermere (VOW)
Society for the Ethical Treatment of Homeowners (SETH)